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Washington, D.C. -- The Secretary of Veterans Affairs (VA), Togo D. West Jr., announced today that VA has completed the Year 2000 renovation of its entire mission critical computer software applications, including all payment-related applications and applications supporting health care.

In its regular report to the Office of Management and Budget, VA also noted 97% of these applications have been implemented into production and are successfully processing Year 2000 dates. VA has implemented applications support for health care, compensation and pension, insurance, vocational rehabilitation, education, loan guaranty, financial management, personnel and national cemeteries and corporate administrative functions.

Said Secretary West, "This is a major step that will ensure our nation's veterans will continue to receive their benefits on time and the highest quality of health care in the Year 2000."

According to Harold F. Gracey, Acting Assistant Secretary for Information and Technology, while VA is on track to resolve Year 2000 problems, the department is taking the additional step of developing business continuity and contingency plans to reduce risks due to other potential Year 2000 interruptions, such as loss of power supplies, water and telecommunications. These plans will ensure that VA's critical core business processes, benefits delivery and health care, will continue in the event other potential Year 2000 interruptions do occur, Gracey added.

VA has completed business continuity and contingency plans for benefits delivery. Similar plans will be in place in each medical center by April 1999.

In addition to completing the Year 2000 renovation of software applications, regular recurring benefit payments, including compensation and pension, most education programs, vocational rehabilitation, Restored Entitlement Program for Survivors, and those for Vietnam veterans' children with spina bifida, will be posted to beneficiaries' accounts and be available on the morning of December 30, 1999. Early posting of these payments should "greatly relieve" any fear veterans may have about Year 2000 interruptions of benefit payments, Gracey said.

VA has renovated 100 percent of more than 300 applications supporting 11 mission critical system areas reflecting VA business functions, including compensation and pension, loan guaranty, insurance, and medical computer and corporate administration systems. The department also has validated (tested) 99 percent and has implemented into production 97 percent of the applications.

Renovation, which concerns the modification of an application to make it Year 2000 compliant, is the second of a simultaneous four-phase program VA has undertaken to resolve Year 2000 problems. The third phase validates new or changed code for date handling and functionality.

The implementation of all applications (the fourth phase) into production is scheduled by March 1999. VA completed the first phase, known as assessment, in January 1998.

VA has also completed implementation and closed out seven of the 11 mission critical areas; compensation and pension, insurance, vocational rehabilitation, administrative, financial management, personnel and National Cemetery Administration. The other four are VistA (health care IT system), education programs,

